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MINISTRY OF LAW  
(Legislative Department)

*New Delhi, the 13th December, 1960/Agrahayana 22, 1882 (Saka)*

The following Act of Parliament received the assent of the President on the 11th December, 1960, and is hereby published for general information:—

## THE EMPLOYEES' PROVIDENT FUNDS (AMENDMENT) ACT, 1960

No. 46 OF 1960

[11th December, 1960.]

An Act further to amend the Employees' Provident Funds Act, 1952.

BE it enacted by Parliament in the Eleventh Year of the Republic of India as follows:—

1. (1) This Act may be called the Employees' Provident Funds (Amendment) Act, 1960. Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

19 of 1952.

2. In section 1 of the Employees' Provident Funds Act, 1952 (hereinafter referred to as the principal Act),— Amendment of section 1.

(i) in sub-section (3), for the word "fifty", wherever it occurs, the word "twenty" shall be substituted;

(ii) after sub-section (4), the following sub-section shall be inserted, namely:—

"(5) An establishment to which this Act applies shall continue to be governed by this Act notwithstanding that

the number of persons employed therein at any time falls below twenty:

Provided that where for a continuous period of not less than one year the number of persons employed therein has been less than fifteen, the employer in relation to such establishment may cease to give effect to the provisions of this Act and any Scheme framed thereunder, with effect from the beginning of the month following the expiry of the said period of one year, but he shall, within one month of the date of such cessation, intimate, by registered post, the fact thereof to such authority as may be specified by the appropriate Government in this behalf."

Insertion of  
new section  
2A.

3. After section 2 of the principal Act, the following section shall be inserted, namely:—

Establish-  
ment to  
include all  
departments  
and bran-  
ches.

"2A. For the removal of doubts, it is hereby declared that where an establishment consists of different departments or has branches, whether situate in the same place or in different places, all such departments or branches shall be treated as parts of the same establishment."

Amendment  
of section 6.

4. In section 6 of the principal Act,—

(i) in sub-section (1), for the words "and the dearness allowance" and for the words "and dearness allowance", the words and brackets "dearness allowance and retaining allowance (if any)" shall be substituted;

(ii) the existing *Explanation* shall be re-numbered as *Explanation 1*, and after *Explanation 1* as so re-numbered, the following *Explanation* shall be inserted, namely:—

*'Explanation 2.*—For the purposes of this sub-section, "retaining allowance" means an allowance payable for the time being to an employee of any factory or other establishment during any period in which the establishment is not working, for retaining his services.'

Amendment  
of section 16.

5. In section 16 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) This Act shall not apply—

(a) to any establishment registered under the Co-operative Societies Act, 1912, or under any other law for the time being in force in any State relating to co-operative societies, employing less than fifty persons and working without the aid of power; or

(b) to any other establishment employing fifty or more persons or twenty or more, but less than fifty, persons until the expiry of three years in the case of the former and five years in the case of the latter, from the date on which the establishment is, or has been, set up.

*Explanation.*—For the removal of doubts, it is hereby declared that an establishment shall not be deemed to be newly set up merely by reason of a change in its location.”.

6. In section 19A of the principal Act,—

Amendment  
of section  
19A.

(i) clause (ia) shall be re-numbered as clause (ii) thereof;

(ii) after clause (ii) as so re-numbered, for the existing clauses (ii) and (iii), the following clauses shall be substituted, namely:—

“(iii) the number of persons employed in an establishment; or

(iv) the number of years which have elapsed from the date on which an establishment has been set up; or”;

(iii) the existing clause (iv) shall be re-numbered as clause (v).

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R. C. S. SARKAR, Secy.

